
From: Thwaytes, Spencer
Sent: Thursday, April 2, 2020 4:50 PM
To: 'SAKS, Matthew M'; 'BISHOP, Ray'
Cc: Fanning, Robert; Sashikumar Bindu, Sharath
Subject: PDP payments
Attachments: FFT NEO MSN 9549 DS POSTPONEMENT.pdf

Matt and Ray,

The indefinite delay in delivering aircraft MSN 9549 (see notice attached) is going to negatively impact our cash position as we are not able to allocate the PDP financing for this aircraft to other aircraft in the PDP facility and we are not receiving the proceeds from the SLB transaction. Deferring the scheduled April PDP payment would be a reasonable solution for a portion of the negative cash impact that is a result of this indefinite delivery delay. Accordingly, until such time as normal operations return, we are requesting a deferral of all future PDP payments.

We received verbal notice this afternoon that our financier is uncomfortable funding aircraft deliveries in 2Q 2020, so we anticipate that Airbus will work with us to manage the timing of upcoming aircraft deliveries.

We are available to discuss.

Spencer

Spencer Thwaytes
VP and Treasurer – Treasury, Fleet and Strategic Sourcing/Procurement
P: 720.374.4578
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FROM
Dustin Martinson
DATE
26 March 2020
OUR REFERENCE
CT2002829

TO
FRONTIER AIRLINES, INC.
4545 Airport Way
Denver, CO 80239
USA

ATTENTION:
Mr. Howard Diamond
Howard.Diamond@flyfrontier.com
SVP – General Counsel
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Matthew Saks
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Sharath Sashikumar - Sharath.Sashikumar@flyfrontier.com

Subject: Postponement of the Delivery Schedule – A320 NEO MSN 9549 (the Aircraft)

Dear Mr. Diamond,

Reference is made to the notice referenced CT2001289 and dated 19 February 2020 by which Airbus Americas, Inc. (**Airbus**) informed Frontier Airlines, Inc. (**FFT**) about the delivery schedule of the Aircraft (the **Notice**).

We regret to inform you that a damaged bracket was discovered in the right hand wing on the Aircraft. Unfortunately, despite all the efforts made by our teams to resolve the issue on time, we will not be in a position to proceed with the technical acceptance process and the delivery of the Aircraft as indicated in the Notice.

Please note that your team has already been informed about the situation.

Please rest assured that we are taking all actions necessary to recover the situation within the current COVID-19 environment. In the meantime, we will keep your team informed of the technical status of the Aircraft and the way forward.

Kindly accept our sincere apologies for the short notice and for the inconvenience this delay is causing to you and your customers.

We thank you in advance for your understanding and support.

With best regards,


Dustin Martinson
Sales Contracts Manager

NOTA: with the exception of the relevant airworthiness authorities' representatives, access to the Aircraft will be restricted to members of the delivery team who are your (Buyer's) employees. Should you intend to delegate the technical acceptance in whole or in part to a third party, please be aware that a participation letter to that effect will have to be consented by Airbus prior to the start of the technical acceptance process. Please disregard this Nota if a participation letter is already in place.

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